

Challenges Update -- Progress!

DCMC's Top Ten Challenges

We made tremendous progress on our Challenges in 1996, and I expect the same positive results for 1997. We introduced two new Challenges in the last Communicator; I'm pleased with the impressive progress we've made on those Challenges in just a few short months. The DCMC professionals are enthusiastically meeting these Challenges. Make sure you see the latest DCMC Challenges video featuring DCMC employees from around the country and keep up the good work!

1. Early CAS

Early CAS is fast becoming institutionalized throughout the Command. We surpassed our Early CAS goals for 1996, and we're on track for 1997. The biggest hurdle now is collecting and sharing Early CAS lessons learned within the DCMC community and with our customers. We asked our customer liaison representatives to interview acquisition leaders at major buying commands. These interviews disclosed areas where DCMC can provide even more insight to help our customers.

With this new information, we're focusing our efforts on helping the CAOs identify their own acquisition lessons learned. But, it's not enough to just gather information; we need to share it better within DCMC and with our customers. A big step in accomplishing this is posting the lessons learned information on the DCMC Home Page. Look for this posting in April. And, if you have ideas to pass along, please fill out the lessons learned questionnaire located on the Early CAS corner of the DCMC Home Page and forward it to Headquarters (Please E-mail to robert_kern@hq.dla.mil). We'll be collecting comments and suggestions throughout the year.

2. Moving to Unit Cost Management (Formerly "Prepare for DBOF")

DCMC's Operational Assessment and Programming Directorate (AQB) established a team of Headquarters and field representatives led by Mr. Les Kuhl, DCMC Lockheed Martin Aerospace, Delaware Valley. The team was chartered to evaluate whether or not some of the Command's functions should be shifted from Operations and Maintenance (O&M) to alternate funding sources, such as Defense Working Capital Fund (DWCF), formerly known as Defense Business Operations Fund (DBOF) or direct customer reimbursement. This effort is the result of DoD's Program Decision Memorandum II (PDM II) issued in October 1996. PDM II, which formally transferred funding to DCMC to meet several new mission requirements, also directed that a study be performed to more fully analyze DCMC's missions and functions and make recommendations on the potential for using alternate funding where appropriate.

The first step in the team's plan is to develop a customer focused Unit Cost Management system. Unit Cost Management places heavy emphasis on mapping activity costs to customer driven outputs. This first step is crucial to the successful implementation of any alternate funding scenario. During the remainder of FY97, DCMC will work toward identifying and tracking key customer focused outputs, developing techniques to collect

and analyze associated costs, and developing a plan for testing this new cost management technique during FY98. During the FY98 testing, the DCMC team will evaluate all unit cost areas to determine if they can be financed more effectively through alternate funding sources

3. Intra DCMC Communications

The Intra-DCMC Communications Challenge is about improving how information flows within DCMC and how we share good ideas and best practices. In the area of improving information flow, we continue to make great strides in the amount of information we provide through the DCMC Home Page. Please also note our new feature in the DCMC Communicator: Ask the Commander. In the area of sharing best practices, we were very pleased with the Retread Awards made during FY 96 and look forward to awarding even more in FY 97. Another enhancement to our ability to share best practices is the new Process Improvement Network (formerly known as the PIN database), which is now part of the Automated Metrics System scheduled for deployment in early spring.

4. Internal Process Standardization

Thanks to everyone who responded to the draft One Book chapters on the DCMC Home Page in 1996. The policy owners are rewriting their chapters based on your input. We're anticipating the rewrite to be complete soon and the "new and improved" One Book will be on the DCMC Home Page by April. Speaking of the Home Page, we're continuing our efforts to provide more automated links on the Home Page's One Book section so you can easily find information internal to DCMC as well as link to other sites within the DoD acquisition community. We're also developing a guidebook, to become a chapter in the One Book, for Headquarters action officers to help with the configuration control and deployment of policy. By following the processes in this guidebook, action officers won't have to reinvent the wheel every time they modify policy. Additionally, action officers will need to consider the impact of policy changes to DCMC's infrastructure (e.g., training requirements, budget considerations, etc.).

5. Refine Assessment Processes

We've made progress in two important areas with this Challenge since the last issue of the Communicator. First, we're incorporating the DoD Management Control Program into the DCMC Assessment Program, and second, we're working to provide trend analysis of IOA findings.

A draft rewrite of Chapter 9 of the DCMC One Book, "The Management Control and Assessment Process," was coordinated with CAO and District Commanders during October and November. DCMC offices from around the world sent their suggestions to the Assessment Center. The next iteration is being worked among the District and Headquarters DCMC process owners. The rewrite incorporates the DoD Management Control Program and the final version -- based on CAO input -- is expected to be released in early Spring.

The second area, trend analysis, is integral to our ability to take the information we glean from our assessments and use it to make systemic improvements and informed management decisions. Specifically, we're looking to identify common deficiencies at the process level. We hope to have a trend analysis report available to the field also in early Spring.

6. Packaging of DCMC Information

DCMC has completed work on its Contractor Information System (CIS) development plan. The CIS will be developed in five increments. The first increment, which has already been completed, features a common interface environment for the Pre-Award Survey System and the Contractor Performance Reporting System. The common interface doesn't now advertise itself as the "Contractor Information Service," but in the second increment, to be deployed in the summer of 1998, we're going to change it so that it does. At that time, we'll also be adding a contractors' systems status table, links to contractors' Home Pages, and links to the General Services Administration's List of Suspended and Debarred Contractors. The third increment, to be accomplished in early 1999, will link CIS to ALERTS and will re-develop the Contractor Alert List as a CIS module. The fourth increment, scheduled for early 2000, will modernize the Industrial Analysis Support Office's Decision Support Information System and make it a component module of the CIS. The fifth increment will add other enhancements to CIS that we've not yet identified.

Regarding DCMC's ability to package information so it is useful to our customers in acquisition strategy planning, source selection, etc. (see the Early CAS Challenge), we completed a survey of our customers' senior leaders actual experiences with, and expectations of, DCMC in January. Using those results, we designed a survey instrument that we're using to "pull" from the DCMC workforce exactly the kind of information our customers are looking for to assist them with acquisition strategy planning. (We say "pull" because we've realized that DCMC personnel often know information that our customers would find very helpful, but our people don't realize that it's what our customers are looking for.) That survey was distributed to the field in early February. The information we glean from these surveys will give DCMC the tools we need to be highly effective members on our customers' Acquisition Strategy Panels. For more information on how you can participate in this survey, please look at the Early CAS corner on the DCMC Home Page.

7. Improve Workforce Skills

The new policy on Senior Functional Advisors (SFAs) to include the concept of operations is expected out soon -- look for it on the DCMC Home Page. By mid-Spring, we expect to have selected five SFAs for HQ DCMC. There will be one for each functional area: Contract Administration, Pricing, Quality Assurance, Industrial Specialist, and Engineering. We expect to hire 15 SFAs at the District level (five per District) by the Summer and approximately 100 SFAs at the CAO level during the Spring. SFAs will have four basic characteristics:

- A broad base of experience in contract management

- Experts in their functional specialty with a thorough understanding of how their function interfaces with other acquisition disciplines
- Excellent communicators equally proficient and comfortable mentoring an individual, or speaking to a large group
- Knowledge of team dynamics and adept at facilitating workforce transitions from standard contract oversight methods to innovative surveillance philosophies and techniques.

Another project on the horizon for the Improving Workforce Skills Challenge is the analysis and identification of alternative methods of training. Specifically, we'll be examining every course we offer to see if there is a cost benefit to offering it through one of four alternative training methods: satellite, tutored video instruction, computer-based, or over the internet.

8. Delivery Delinquencies

The deployment of the ALERTS program, under the leadership of Colonel Pat Bayless, USAF, is on schedule. We completed our functional testing in January and will finish the environmental testing in March. During the environmental testing phase, eight DCMC organizations and five contractors will be using the ALERTS system to conduct business. I expect ALERTS to begin Command-wide deployment in the April-May time frame. Another achievement made in the delivery delinquency challenge is the modification to MOCAS to preserve original delivery schedule dates. First-month reports now contain delivery delinquency information based on original and modified delivery dates. Please keep in mind, though, that when this MOCAS program change was installed and the original delivery date data field was loaded into MOCAS, we elected to load the data fields with existing schedule dates. What this means is that the new data field will initially contain some modified contract dates as well as original. We did this because we needed a "starting baseline" of data. Over time, as contracts close, this data will become increasingly original scheduled delivery date only. I'm pleased to report that you will soon be able to find more information about ALERTS and delivery delinquencies on the DCMC Home Page. By Summer, we will have established a section on the Home Page dealing exclusively with this Challenge where we will share success stories and lessons learned.

9. DCMC Metrics

The new Metrics Guidebook has been published and distributed throughout the Command. If you did not receive a copy, be sure to contact your Performance Improvement Officer. The first two increments of the Automated Metrics System have been functionally tested with success. They are scheduled to be fully operational in early Spring. Applications included in these two increments include Pre-Award Surveys, Pricing and Negotiation, Forward Pricing, Overhead Negotiation, Early CAS (Right Advice), FEDCAS, Process Improvements, Flight Safety, Program Integration, Customer Support (Right Reception), Trailer Cards, Contingency CAS, Single Process Initiative, Lab Testing (Right Item), and MOCAS (Demographics, Contract Closeout, and Delays in Delivery [Right Time]).

10. Information Technology

Two significant events worthy of mention are the deployment of a Command-wide Enterprise Management Software application called Tivoli. This application will permit DCMC to monitor its hardware and software environment from two central locations -- Districts East and West. Software application deployment and trouble shooting will be significantly improved. We will also be deploying our centralized help desk software, Remedy, which when fully deployed will allow us to better serve the user community. The second major initiative is the purchasing of corporate licenses for the standard DCMC software. DCMC has already purchased corporate licenses for ORACLE, the standard departmental database; Netscape browser, the standard Internet browser; COGNOS Query tools, our standard report writing tool used to get reports out of Oracle databases and to customize the data display; and Documetrix, our standard document management software.

We will be pursuing an enterprise license for all of the Microsoft products, to include Microsoft Exchange mail package and Microsoft NT network operating system software under a DLA initiative headed by the Corporate Administration (CA) business area. In the area of software deployments, you can expect the following applications to be distributed sometime this year: ALERTS, ACO MODS, Graphical User Interface (GUI), Electronic Data Accessing (EDA), PreAward Survey System (PASS), Contractor Performance Reporting System (CPRS), Plant Clearance Automated Reutilization Screening System (PCARSS), Termination Automated Management System (TAMS), Automated Metrics System (AMS), Customs (CDFMS), Electronic Contract File Folder and the Standard Electronic Processing System (SEPS) for EDI DD 250s.